

VETERANS' ADMINISTRATION BENEFICIARY TRAVEL PROGRAM

JUNE 25, 1987.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. MONTGOMERY, from the Committee on Veterans' Affairs,
submitted the following

R E P O R T

[To accompany H.R. 2327]

[Including cost estimate of the Congressional Budget Office]

The Committee on Veterans' Affairs, to whom was referred the bill (H.R. 2327) to amend title 38, United States Code, to ensure eligibility of certain individuals for beneficiary travel benefits when traveling to the Veterans Administration medical facilities, having considered the same, reports favorably thereon without amendment, by unanimous voice vote, and recommends that the bill do pass.

INTRODUCTION

H.R. 2327 would amend title 38, United States Code, to ensure eligibility of certain individuals for beneficiary travel benefits when traveling to Veterans Administration medical facilities to receive VA health care. It was introduced in the House of Representatives on May 7, 1987 by the Honorable Gerald B. Solomon, ranking minority member of the Committee on Veterans' Affairs. The Subcommittee on Hospitals and Health Care held a hearing on May 20, 1987, on the bill and other proposed health care legislation. Subsequently, on June 3, 1987, the Subcommittee unanimously recommended it to the full committee. On June 10, 1987, the full Committee unanimously ordered it reported to the House.

SUMMARY OF THE REPORTED BILL

H.R. 2327 would require the Administrator of Veterans' Affairs to pay beneficiary travel benefits to the following:

- (1) A veteran for treatment of a service-connected disability;
- (2) Veterans with service-connected disabilities rated 50% or more for treatment of any disability;
- (3) A veteran receiving or eligible to receive a nonservice-connected pension for any disability;
- (4) A veteran whose annual income does not exceed the maximum annual rate of pension which would be payable if such veteran were eligible for pension;
- (5) A veteran for whom ambulance transportation, wheelchair van transportation or other special modes of transportation is medically indicated and a determination is made by the Administrator that the veteran is unable to bear the cost of such transportation;
- (6) A veteran who is determined, under regulations to be prescribed by the Administrator, to be unable to defray the expenses of the travel for which payment is claimed for any disability; and
- (7) Such other persons as the Administrator determines by regulation.

BACKGROUND AND DISCUSSION OF THE BILL

The Beneficiary Travel Program

Provision of transportation in connection with medical treatment was considered a part of medical services when Congress passed legislation providing medical benefits in 1917 for veterans of World War I with service-connected disabilities. Until 1957, transportation continued to be authorized as part of medical care benefits authorized by law. Current authority for beneficiary travel is provided under title 38 of the U.S. Code in section 111 for travel in connection with examination, care, vocational rehabilitation and counseling. The Administrator's authority is discretionary because the statute provides that the Administrator "may pay" expenses of travel. The Code of Federal Regulations in section 17.100 of title 38 sets forth the purposes for which travel payments are authorized. Prior to April 13, 1987, the purposes were admissions, readmissions, preparatory and posthospital care, authorized absence, inter-facility transfers, discharge and outpatient services.

On April 13, 1987, new VA final regulations were published which had little effect on the purposes for which the VA makes beneficiary travel payments to veterans, but which sharply curtailed eligibility. Prior to the regulation change, the categories of persons eligible for beneficiary travel were service-connected veterans, VA pensioners and other persons with low incomes, claimants presenting evidence of inability to defray travel costs, and claimants administratively determined to be unable to bear the cost of ambulance transportation. Since the April change, eligibility under the new regulations has been limited to medically indicated special mode transportation such as ambulance or wheelchair van, those veterans meeting the current eligibility requirements, to travel in conjunction with compensation and pension examinations, and to

travel beyond a 100 mile radius from the nearest VA medical care facility.

Clearly, the Administrator had discretionary authority to make the regulation change. Currently, the only statutory restrictions on the Administrator's authority are: (1) no payment shall be made unless the person claiming reimbursement has been determined to be unable to defray the expenses of travel, except for service-connected veterans; (2) the cost of travel by privately owned vehicles in any amount shall not be in excess of the cost of such travel by public transportation, unless public transportation is not reasonably available or is medically inadvisable, or the cost of such travel is not greater than the cost of public transportation; and (3) payment shall not be in excess of the actual expense incurred.

The Administrator may pay the actual necessary expenses of travel, including lodging and subsistence; or instead the Administrator may pay a mileage allowance, plus reimbursement for the actual cost of ferry fares, and bridge, road and tunnel tolls. Mileage allowances are periodically adjusted by the Administrator in consultation with the Administrator of General Services, the Secretary of Transportation, the Comptroller General, and representatives of veterans' organizations. Since 1978, the reimbursement rate has been 11 cents per mile, and since then has not been raised in order to contain costs. In comparison, the mileage reimbursement rate for official travel by Federal employees is currently 20.5 cents per mile.

A VA review of the beneficiary travel program, as required by Public Law 98-160, was conducted under contract by Maximus, Inc. and released on March 13, 1985. One of the stated purposes of the Maximus study was to determine the impact of possible reductions in beneficiary travel payments on access to VA health care. The findings were that:

Program users were more likely to be unemployed or retired than were nonusers;

More program users had incomes below \$10,000 than did nonusers;

Program users were more likely to have been admitted to a VA hospital during the previous 12 months than were nonusers;

Program users were more likely to have had more than 20 outpatient visits to VA Medical Centers in the previous 12 months than were nonusers; and

Program users traveled greater distances to reach VA Medical Centers for health care than did nonusers.

The survey included 576 veterans who were users of the beneficiary travel program. They were asked if they would be able to use the VA for health care if they received no travel benefit. More than one-third, 202 veterans, believed that they would not be able to use the VA if their travel benefit were eliminated. Those veterans who believed they would no longer be able to use the VA were most likely to have annual incomes below \$5,500, be unemployed or retired, travel by hired car or taxi and have had more than four hospital admissions or more than 100 outpatient visits during the previous year.

The Maximus study also showed that the majority of beneficiary travel recipients had low incomes. For 1983, 39% had incomes below \$7,200, and 54% were below \$10,000. Moreover, 71% of the program users were service-connected. While the travel benefit has not been entirely eliminated, the manner in which the reduction was made took none of these factors into consideration. For the 18 VA medical facilities surveyed in the study, the average distance travelled one way was about 54 miles. As might be expected, average distance varied widely. For Fargo, ND, the average one way trip was 106 miles, while for Brooklyn, NY, the average one way trip was 10 miles.

The Maximus study, in conjunction with a December, 1985 VA report as required by Public Law 98-528, gives a good picture of the veteran population and how it depends on the beneficiary travel program. According to the VA's report, of 28 million veterans in America, 97 per cent resided within 100 miles of a VA medical facility. Thus, the 100 mile radius drawn by the VA in its April regulations affects nearly all veterans potentially eligible for VA medical benefits. The report also showed that for inpatient treatment, utilization rates dropped slightly after 25 miles, but then did not drop substantially until a distance of 175 miles or more (approximately 131,096 veterans then lived in counties more than 150 miles from VA medical facilities). In the Committee's view, the report's findings remain valid for this legislation. The findings demonstrate that actual access to VA medical facilities is still an important concern to the relatively smaller number of veterans living distances greater than 100 miles from a VA medical facility, though the major impact of the regulation change was on the 97% of veterans living within 100 miles of a facility.

The Committee recognizes that the cost of the beneficiary travel program has been steadily increasing. From the Fiscal Year 1980 cost of \$72.6 million, the cost increased to \$106.5 million for Fiscal Year 1986. For Fiscal Year 1987, the Administration requested only \$10 million, and \$58 million in additional funding was made available through a reprogramming request. The VA expected the new regulations to cover about half of Fiscal Year 1987, with an annual cost projection for the new regulations of \$54.4 million.

Eligibility for Beneficiary Travel Payments

The reported bill would statutorily reinstate the eligibility for beneficiary travel payments in effect prior to the April regulation change, with the exception of travel benefits in connection with treatment of nonservice-connected conditions for service-connected veterans rated less than 50% disabled. This eligibility would provide the necessary travel benefits for service-connected conditions, for seriously disabled service-connected veterans, for low-income veterans, and for other veterans unable to defray the costs of travel. The Congressional Budget Office estimates that this eligibility will achieve a savings of approximately \$24 million for Fiscal Year 1988, compared to the level of cost which would have been incurred had the former regulations stayed in effect. The Committee has consciously sought a middle ground because of the recognized fiscal imperatives.

The bill would codify the purposes of beneficiary travel payments as those in effect in the Code of Federal Regulations on July 1, 1986. The Committee intends that the VA's general interpretations of those regulations would continue to be followed. For example, the regulations did not expressly refer to travel for compensation and pension examinations, but the VA interpreted the provision on outpatient services to include travel payments for such examinations. The Committee expects that the VA would continue its practice of providing travel payments for compensation and pension examinations as an outpatient service which was permitted by the regulations.

Medically-indicated ambulance transportation was specifically authorized by the former regulations and was interpreted to include other special modes of transportation such as ambulette, air ambulance and wheelchair van. The Committee has adopted the generic term "special mode transportation" to refer to these and other types of special medical transportation which may currently exist or be developed in the future. Thus, the bill would authorize payments for "ambulance transportation, wheelchair van transportation, or other special mode transportation," when medically indicated and the veteran is unable to bear the cost of such transportation.

The bill would grant the Administrator two discretionary administrative authorities. It would allow the Administrator to promulgate regulations for determination of any veteran's inability to defray expenses of travel, and it also would allow payment to any other persons the Administrator determines by regulation. These provisions are intended to give the Administrator broad latitude to address special cases. One such special case may be the situation of nonservice-connected blinded veterans whose income is somewhat above the pension rate, but who have no practical alternative to relatively costly commercial air transportation to one of the four VA regional Blind Rehabilitation Centers in the continental United States. The Administrator would be given flexibility and the opportunity to weigh the various considerations in providing such travel benefits within budgetary constraints.

The Administrator should publicize the beneficiary travel program and conduct outreach for it so that eligible veterans will be made aware of the availability of the benefit. The Administrator should also identify special groups of veterans with particular needs for beneficiary travel and direct outreach to them. For example, American Indians suffer high unemployment, are often without private transportation and frequently live on remote reservation lands. The Congress in Public Law 99-272 established a VA Advisory Committee on Native American Veterans to examine and evaluate VA programs and activities for such veterans, including American Indians and Alaskan Natives. Consequently, the Administrator's consultation with the Advisory Committee would be highly appropriate.

Some veterans' service organizations have from time to time provided free private transportation to VA medical facilities for veterans. The Committee commends and encourages such volunteer activities, which illustrate the true dedication of these veterans' service organizations to their ideals. In particular, the Disabled Ameri-

can Veterans on December 19, 1986, announced and has begun to implement a nationwide program to provide transportation services for veterans with no other means of transportation. However, the Committee also believes that it is the responsibility of the Federal Government to provide an adequate level of travel benefits for veterans, and that the responsibility cannot properly be shifted, even when private groups are willing to assume all or part of it. Consonant with the Federal responsibility, the Committee would mandate travel benefits for eligible veterans.

SECTION-BY-SECTION ANALYSIS OF THE REPORTED BILL

Section 1(a) would amend the existing statutory authority for beneficiary travel payments to change it from a discretionary authority to a required reimbursement to eligible claimants or beneficiaries by replacing the words "may" with the words "shall".

Section 1(b) would redesignate subsections to allow insertion of the provisions describing the persons who would receive beneficiary travel payments. It would insert provisions requiring such payment to certain service-connected and low-income veterans, to veterans the Administrator determines to be unable to bear travel expenses for special modes of transportation, to any other veterans the Administrator determines by regulation to be unable to defray the cost of transportation, and to any other persons the Administrator determines by regulation. It would also define the purposes for which payments shall be made as those in effect under VA regulations on July 1, 1986, and it would not allow payment for travel by privately owned vehicle costing more than public transportation, unless public transportation is not reasonably available or is medically inadvisable.

Section 1(c) would make conforming amendments so that subsection references in the statute would be consistent after subsection reorganization.

Section 1(d) would make nonsubstantive clerical amendments in capitalization, punctuation and wording.

Section 1(e) would provide that the date of enactment be the effective date for the bill's amendments to the VA's authority for travel payments.

No oversight findings have been submitted to the Committee by the Committee on Government Operations.

INFLATIONARY IMPACT STATEMENT

The reported bill will have no inflationary impact.

CBO COST ESTIMATE

The following letter was received from the Congressional Budget Office concerning the cost of the reported bill.



CONGRESSIONAL BUDGET OFFICE
U.S. CONGRESS
WASHINGTON, D.C. 20515

June 19, 1987

Honorable G.V. Montgomery
Chairman
Committee on Veterans' Affairs
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

In response to your request, CBO has prepared the attached cost estimate for H.R. 2327, a bill to ensure the eligibility of certain veterans for beneficiary travel benefits when traveling to Veterans Administration medical facilities, as ordered reported by the House Committee on Veterans' Affairs, June 10, 1987.

If you wish further details on this estimate, we will be pleased to provide them.

With best wishes,

Sincerely,

Edward M. Gramlich
Acting Director

cc: Honorable Gerald B.H. Solomon
Ranking Minority Member

CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

June 19, 1987

1. BILL NUMBER: H.R. 2327

2. BILL TITLE: None.

3. BILL STATUS:

As ordered reported by the House Committee on Veterans' Affairs, June 10, 1987.

4. BILL PURPOSE:

To ensure the eligibility of certain individuals for beneficiary travel benefits when traveling to Veterans Administration (VA) medical facilities.

5. ESTIMATED COST TO THE FEDERAL GOVERNMENT:

(By fiscal years, in millions of dollars)

	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>
Estimated Authorization					
Level	36	39	42	45	48
Estimated Outlays	36	39	42	45	48

The cost of this bill would fall in budget function 700.

Basis of Estimate

The beneficiary travel program reimburses certain veterans for the cost of travel to VA medical facilities when seeking health care. Until recently, any veteran who had a service-connected disability, who received disability pension benefits, or who could demonstrate an inability to pay for travel was eligible for reimbursement. In March 1987, however, the VA published regulations that limit eligibility for beneficiary travel benefits to those previously eligible who required a special mode of transportation (ambulance, wheelchair van, etc.) or who must travel more than 100 miles to a VA facility. Further, VA staff has indicated that an additional change in the regulations will soon be published. This change will institute an \$11 deductible (each way) in lieu of the 100 mile minimum travel distance.

This bill would restore beneficiary travel benefits to most veterans who were eligible for them before the March changes. Of the veterans eligible prior to March, only veterans with disabilities rated below 50 percent who are not seeking care for their service-connected disabilities, who are capable of paying their own travel costs, and who do not require a special mode of transportation would be excluded from benefits by H.R. 2327. The estimate above represents the expected cost of the beneficiary travel program under H.R. 2327 to the extent that it exceeds the cost that would occur under the new VA regulations with an \$11 deductible.

Based on data in a study prepared for the VA by MAXIMUS, Inc. (The Veterans Administration Beneficiary Travel Program, MAXIMUS, Inc., March 1985.), it is estimated that approximately 20 percent of all beneficiary travel users are veterans with service-connected disabilities rated below 50 percent who are not seeking care related to their service-connected disabilities, who do not require a special mode of transportation, and who can afford to pay their transportation costs. A projection of historical beneficiary travel costs was reduced by this amount to estimate the total cost of the program under H.R. 2327. These costs were estimated at \$97 million in 1988 rising to \$127 million in 1992.

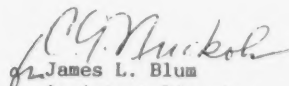
Data from a General Accounting Office study, Administration of and Veterans' Participation in the VA Beneficiary Travel Program (General Accounting Office, GAO/HRD-85-28, February 1985), were used to estimate the cost of the program under the VA's new regulations. According to the study, approximately 33 percent of 1985 beneficiary travel costs were expended for special modes of transportation. The study further indicated that about 13 percent of expenditures were for reimbursements exceeding \$11 each way or \$22 per round trip. Thus, it was estimated that the new regulations would save the VA around \$60 million in 1988, increasing to nearly \$80 million by 1992. While the provisions of H.R. 2327 would cost \$36 million more in 1988 than the program under the new regulations, this would still be a reduction of \$24 million from the cost of the program under the regulations in force prior to March.

Funding for beneficiary travel expenditures is subject to appropriation action. This estimate assumes that the full estimated cost of H.R. 2327 would be appropriated.

6. ESTIMATED COST TO STATE AND LOCAL GOVERNMENTS:

The Congressional Budget Office has determined that the budgets of state and local governments would not be directly affected by enactment of this bill.

- 7. ESTIMATE COMPARISON: None.
- 8. PREVIOUS CBO ESTIMATE: None.
- 9. ESTIMATE PREPARED BY: K.W. Shepherd (226-2820).
- 10. ESTIMATE APPROVED BY:


James L. Blum
Assistant Director
for Budget Analysis

AGENCY REPORTS

On June 1, 1987, the Committee received the following letter from the VA on the reported bill.

Office of the
Administrator
of Veterans Affairs

Washington DC 20420



Veterans
Administration

JUN 1 1987

Honorable G.V. (Sonny) Montgomery
Chairman, Committee on Veterans' Affairs
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

This will respond to your request for a report on H.R. 2327, 100th Congress, a bill "To amend title 38, United States Code, to ensure eligibility of certain individuals for beneficiary travel benefits when traveling to Veterans' Administration medical facilities."

H.R. 2327 would amend the statutory authority for VA to furnish veterans with travel to and from a VA facility in connection with receipt of benefits, principally health care benefits. As you are aware, VA recently published regulations which significantly limited its beneficiary travel program. This bill would appear, in essence, to require that VA reinstitute beneficiary travel payments for modes of travel which were limited under those VA regulations. VA opposes enactment of the bill at this time.

The measure would first change section 111(a) of title 38, United States Code, to provide that the Administrator "shall" rather than "may" pay for the necessary expense of travel of an "eligible claimant or beneficiary." It would add a new subsection specifying the individuals "entitled" to beneficiary travel payments. Included are veterans seeking care for a service-connected disability; veterans with a service-connected disability rated at least 50 percent; veterans in receipt of VA pension or whose income does not exceed the VA pension amount; veterans requiring, but unable to pay for a special mode of transportation such as an ambulance; veterans unable to defray the expenses of the travel as determined by the Administrator; and any other persons the Administrator determines, in accordance with regulations, should receive payment for travel. The bill would provide that travel may be paid for the purposes specified in the VA's regulations prior to their recent amendment, and it would continue the statutory prohibition against payment of travel in excess of the cost of reasonably accessible public transportation, or in excess of that incurred by the beneficiary.

The VA's recently published regulations, which limited routine beneficiary travel payments, were the culmination of several years of effort to administratively control rapidly escalating

Honorable G.V. (Sonny) Montgomery

expenditures for this travel. The basis for these efforts was the belief that routine, non-emergent travel payments could be scaled back without effectively denying veterans access to needed care, and that such funds could be more effectively devoted to providing direct health care for our veterans. In our view, the current regulations strike a fair balance, and accommodate many of the concerns of those who questioned the proposed change. The regulations continue to authorize VA to pay for all travel of veterans requiring a special mode of transportation to the hospital, such as an ambulance. To minimize the hardship on veterans living a great distance from a VA facility, the regulations provide that VA will pay for transportation costs in excess of a deductible amounting to \$11.00. There are also other alternatives for delivering services to veterans which work to minimize the impact of travel costs, including contract hospitalization, fee basis outpatient care and outreach programs. Considering the strong basis for the regulatory changes, we oppose H.R. 2327 which would mandate a return to a system similar to that which existed prior to those changes. We believe the beneficiary travel program as it now exists after publication of the regulations should be left in place so it can be determined whether it meets the essential needs of veterans seeking VA health care benefits.

We estimate that the enactment and implementation of H.R. 2327 would increase beneficiary travel payments by some \$55.5 million annually over and above the costs we anticipate incurring under our regulations, and \$277.5 million over five fiscal years. Thus, we estimate total costs under the beneficiary travel program of \$110 million in Fiscal Year 1988, and five-year costs of some \$633 million. If this measure were to take effect during this fiscal year, additional costs in the range of \$5 million/month could be expected.

The Office of Management and Budget advises that there is no objection from the standpoint of the Administration's program to the submission of this report on H.R. 2327 to the Congress.

Sincerely,



THOMAS K. TURNAGE
Administrator

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of Rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SECTION 111 OF TITLE 38, UNITED STATES CODE

PART I—GENERAL PROVISIONS

CHAPTER 1—GENERAL

§ 111. Travel expenses

(a) Under regulations prescribed the President pursuant to the provisions of this section, the Administrator **[may]** *shall* pay the actual necessary expense of travel (including lodging and subsistence), or in lieu thereof an allowance based upon mileage traveled, of any **[person]** *eligible claimant or beneficiary* to or from a Veterans' Administration facility or other place in connection with vocational rehabilitation, counseling required by the Administrator pursuant to chapter 34 or 35 of this title, or for the purpose of examination, treatment, or care. In addition to the mileage allowance authorized by this section, there **[may]** *shall* be allowed reimbursement for the actual cost of ferry fares, and bridge, road, and tunnel tolls.

(b)(1) The following persons are entitled to payment under this section:

(A) A veteran traveling in connection with treatment of a service-connected disability.

(B) A veteran with a service-connected disability rated at 50 percent or more for any disability.

(C) A veteran receiving or eligible to receive pension under section 521 of this title for any disability.

(D) A veteran whose annual income (determined in accordance with section 503 of this title) does not exceed the maximum annual rate of pension which would be payable to such veteran if such veteran were eligible for pension under section 521 of this title for any disability.

(E) A veteran for whom ambulance transportation, wheelchair van transportation, or other special mode of transportation is medically indicated and an administrative determination is made that the veteran is unable to bear the cost of such transportation for any disability.

(F) A veteran who is determined (under regulations prescribed by the Administrator) to be unable to defray the expenses of the travel for which payment under this section is claimed for any disability.

(G) Such other persons as the Administrator determines by regulation.

(2) The purposes for which payments for travel shall be made under this section are those specified in regulations of the Veterans' Administration in effect on July 1, 1986 (38 CFR 17.100, 17.102).

(3) Payment may not be provided to a person under this section—

(A) to reimburse for the cost of travel by privately owned vehicle in any amount in excess of the cost of such travel by public transportation unless public transportation is not reasonably accessible or would be medically inadvisable; or

(B) in excess of the actual expense incurred by such person (as certified in writing by such person).

[(b)] (c) Payment of the following expenses or allowances in connection with vocational rehabilitation, counseling, or upon termination of examination, treatment, or care, may be made before the completion of travel:

(1) [the] *The* mileage allowance authorized by subsection (a) [hereof;] *of this section*;

(2) [actual] *Actual* local travel expenses[.];

(3) [the] *The* expense of hiring an automobile or ambulance, or the fee authorized for the services of a nonemployee attendant.

[c] (d) When any person entitled to mileage under this section requires an attendant (other than an employee of the Veterans' Administration) in order to perform such travel, the attendant may be allowed expenses of travel upon the same basis as such person.

[d] (e) The Administrator may provide for the purchase of printed reduced-fare requests for use by veterans and their authorized attendants when traveling at their own expense to or from any Veterans' Administration facility.

[(e)] (f)(1) In carrying out the purposes of this section, the Administrator, in consultation with the Administrator of General Services, the Secretary of Transportation, the Comptroller General of the United States, and representatives of organizations of veterans, shall conduct periodic investigations of the actual cost of travel (including lodging and subsistence) to beneficiaries while traveling to or from a Veterans' Administration facility or other place pursuant to the provisions of this section, and the estimated cost of alternative modes of travel, including public transportation and the operation of privately owned vehicles. The Administrator shall conduct such investigations immediately following any alteration in the rates described in paragraph [(3)(C)] of this subsection, and, in any event, immediately following the enactment of this subsection and not less often than annually thereafter, and] (2)(C) *of this subsection and, in any event, not less often than annually and, based thereon, shall determine rates of allowances or reimbursement to be paid under this section.*

[(2)] In no event shall payment be provided under this section—

[(A)] unless the person claiming reimbursement has been determined, pursuant to regulations which the Administrator shall prescribe, to be unable to defray the expenses of such travel (except with respect to a person receiving benefits for or in connection with a service-connected disability under this

title, a veteran receiving or eligible to receive pension under section 521 of this title, or a person whose annual income, determined in accordance with section 503 of this title, does not exceed the maximum annual rate of pension which would be payable to such person if such person were eligible for pension under section 521 of this title);

[(B) to reimburse for the cost of travel by privately owned vehicle in any amount in excess of the cost of such travel by public transportation unless (i) public transportation is not reasonably accessible or would be medically inadvisable, or (ii) the cost of such travel is not greater than the cost of public transportation; and

[(C) in excess of the actual expense incurred by such person as certified in writing by such person.]

[(3)] (2) In conducting investigations and determining rates under this section, the Administrator shall review and analyze, among other factors, the following factors:

- (A)(i) Depreciation of original vehicle costs;
- (ii) gasoline and oil costs;
- (iii) maintenance, accessories, parts, and tire costs;
- (iv) insurance costs; and
- (v) State and Federal taxes.

(B) The availability of and time required for public transportation.

(C) The per diem rates, mileage allowances, and expenses of travel authorized under sections 5702 and 5704 of title 5 for employees of the United States.

[(4)] (3) Before determining rates under this section and not later than sixty days after any alteration in the rates described in paragraph [(3)(C)] (2)(C) of this subsection, the Administrator shall submit to the Committees on Veterans' Affairs of the House of Representatives and the Senate a report containing the rates the Administrator proposes to establish or continue with a full justification therefor in terms in each of the limitations and factors set forth in this section.